

Charles W. Hingle, #1947
Shane P. Coleman, #3417
Jason S. Ritchie, #7442
HOLLAND & HART LLP
401 North 31st Street
Suite 1500
P.O. Box 639
Billings, Montana 59103-0639
Telephone: (406) 252-2166
Fax: (406) 252-1669

Attorneys for Hyundai Motor Finance Co.

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MONTANA

INCREDIBLE AUTO SALES, LLC)	Bankruptcy No.06-60855-RBK
)	
Debtor,)	
)	

**RESPONSE TO DEBTOR'S EMERGENCY MOTION TO
USE CASH COLLATERAL**

Hyundai Motor Finance Company ("HMFC"), through its undersigned counsel, makes this Response to Debtor's Emergency Motion as to Use of Cash Collateral pursuant to 11 U.S.C. Section 363 of the Bankruptcy Code and as to Offer of Adequate Protection to Hyundai Motor Finance Company ("Debtor's Motion"):

1. HMFC restates and realleges the facts and allegations contained in its Emergency Motion to Prohibit or Condition Use, Sale or Lease of Inventory and/or Cash Collateral and Notice Thereof dated October 26, 2006 ("October 26 Motion").

2. HMFC's objections to the Debtor's Motion are summarized as follows:

A. Secured Obligation. The outstanding and unpaid principal amount of all advances by HMFC to Debtor as of October 23, 2006 totaled \$2,243,608.81 and interest totaling \$31,767.01 had accrued thereon as of the date of the commencement of this

case, including vehicles sold out of trust in the approximate amount of \$367,000. The secured obligation continues to accrue interest at a current rate of 11.25% per annum for new vehicles and 11.75% per annum for used vehicles.

B. Value of Vehicle Collateral. The actual wholesale value of new and used vehicle inventory as of October 23, 2006, was \$1,800,661.81. HMFC believes, but has not been able to verify, that four vehicles were sold during the period between commencement of this case and the inspection on October 23, 2006, and that the proceeds thereof should total at least \$76,067.00. In addition, the potential third-party claims set forth in the October 26 Motion, may adversely affect the value of the vehicle collateral. The vehicle collateral will be subject to substantial depreciation upon the imminent release of the 2007 model year vehicles.

C. Franchise. HMFC asserts that it has a valid and perfected security interest in all general intangibles, including the Kia franchise, but HMFC denies the value of such franchise is \$800,000.00.

D. "Law Suit Receivable". HMFC denies the so-called "Law Suit Receivable" has any value. HMFC is informed and believes the suit is scheduled for trial in February of 2007 and that Debtor is subject to a counterclaim that significantly undercuts any speculative value or expectancy from the lawsuit and may constitute a substantial additional liability of the Debtor.

E. Procedure Inadequate. HMFC objects to the procedure outlined in Exhibit 3 to the Debtor's Motion in that certain provisions are confusing and likely to promote disagreement and that it does not provide for monitoring of the "Trust Accounts" by HMFC. The procedure does not allow inspection of inventory and related

records as HMFC deems necessary or as provided in the Inventory Loan and Security Agreement of July 27, 2005. Moreover, the procedure does not provide for the payment of any of the proceeds to HMFC, including those received by the Debtor since the commencement of this Case.

F. Adequate Protection Payment. The payment described in paragraph 19 of Debtor's Motion is inadequate in that it is not based upon a market rate of interest or HMFC's contract rate, nor does it provide for a date certain for commencement and continuation of such payments.

3. Based on information currently available, HMFC denies that it is oversecured and further denies that the protection of HMFC's interests in Debtor's property, as proposed in Debtor's Motion, is adequate.

4. HMFC reserves the right to make further objections to Debtor's Motion prior to and during the hearing thereon.

DATED this 30th day of October, 2006.

/s/ Charles W. Hingle

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Jason S. Ritchie, #7442

HOLLAND & HART LLP

401 North 31st Street

Suite 1500

P.O. Box 639

Billings, Montana 59103-0639

ATTORNEYS FOR HYUNDAI MOTOR
FINANCE CO.

CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of October, 2006, I served a true and correct copy of the foregoing, addressed as follows and by the method shown below:

William L. Needler
P.O. Box 177
Fuller Building Suite H
2 North Spruce Street
Ogallala NE 69153
williamlneedler@aol.com

☐ U.S. Mail, postage prepaid
☒ Electronic service
☐ Overnight Delivery

Clarke B. Rice
Clark B. Rice, P.C.
2951 King Avenue West
Billings, MT 59102

☒ U.S. Mail, postage prepaid
☐ Electronic service
☐ Overnight Delivery

Office of the U.S. Trustee
U.S. Trustee's Office
Liberty Center Suite 204
301 Central Avenue
Great Falls MT 59401

☐ U.S. Mail, postage prepaid
☒ Electronic service
☐ Overnight Delivery

Bruce F. Fain
Murphy, Kirkpatrick & Fain, P.L.L.P.
208 North Broadway, Suite 208
P.O. Box 429
Billings, MT 59103-0429
bruce@murphkirk.com

☐ U.S. Mail, postage prepaid
☒ Electronic service
☐ Overnight Delivery

Christopher P. Birkle
Lovell Law Firm, P.C.
175 North 27th Street, Suite 1206
P.O. Box 1415
Billings, MT 59101
cbirkle@lovellaw.com

☐ U.S. Mail, postage prepaid
☒ Electronic service
☐ Overnight Delivery

/s/ Charles W. Hingle